

GREG BELL Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

Representativ	es Present During the Inspection:
Company	Dana Marrelli
OGM	Karl Houskeeper



Inspection Report

Permit Number:	C0150032
Inspection Type:	PARTIAL
Inspection Date:	Thursday, May 12, 2011
Start Date/Time:	5/12/2011 9:15:00 AM
End Date/Time:	5/12/2011 12:30:00 PM
Last Inspection:	Wednesday, April 13, 201

Inspector: <u>Karl Houskeeper</u>,
Weather: <u>Clear, Temp. 49 Deg. F.</u>

InspectionID Report Number: 2744

Accepted by: jhelfric 5/12/2011

Permitee: GENWAL RESOURCES INC
Operator: GENWAL RESOURCES INC
Site: CRANDALL CANYON MINE

Address: PO BOX 910, EAST CARBON UT 84520-0910

County: EMERY

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages

6,235.80	Total Permitted			
27.15	Total Disturbed			
	Phase I			
	Phase II			
	Phase III			

Mineral Ownership

Types of Operations

✓ Federal
✓ Underground

State
Surface

County
Loadout

Fee
Processing

Other
Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Inspector's Signature:

Karl R. Louskuper

Date

Thursday, May



Karl Houskeeper,

Inspector ID Number: 49

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcemen
1.	Permits, Change, Transfer, Renewal, Sale				
2.	Signs and Markers	✓		V	
3.	Topsoil				
4.a	Hydrologic Balance: Diversions				
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	✓		✓	
4.c	Hydrologic Balance: Other Sediment Control Measures				
4.d	Hydrologic Balance: Water Monitoring	✓		V	
4.e	Hydrologic Balance: Effluent Limitations				
5.	Explosives				
6.	Disposal of Excess Spoil, Fills, Benches				
7.	Coal Mine Waste, Refuse Piles, Impoundments				
8.	Noncoal Waste	✓		✓	
9.	Protection of Fish, Wildlife and Related Environmental Issues				
10.	Slides and Other Damage				
11.	Contemporaneous Reclamation				
12.	Backfilling And Grading				
13.	Revegetation				77 17
14.	Subsidence Control				
15.	Cessation of Operations				
16.a	Roads: Construction, Maintenance, Surfacing				
16.b	Roads: Drainage Controls				
17.	Other Transportation Facilities				
18.	Support Facilities, Utility Installations				
19.	AVS Check				
20.	Air Quality Permit				
21.	Bonding and Insurance				
22.	Other				

Inspection Continuation Sheet

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2. Signs and Markers

The mine identification sign is in place at the contact point of the forest service road with the permit area. The sign contains the required information.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

A rock slide has occurred off the rock slope behind the iron treatment pond. The material that came loose is shotcrete and minor native material. Some of the material is inside of the iron treatment pond. A determination could not be made if the pond liner has been compromised.

4.d Hydrologic Balance: Water Monitoring

Water samples were pulled from the Pre-002 sample point during the partial inspection. Flow was at 465 gpm. Sampled at 10:30am.

8. Noncoal Waste

Noncoal waste in diversions and around the site. A general clean up needs to be done now that most of the snow is off of the mine site.